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July 3, 2001

TO: All Local Educational Consortia (LEC) and **PPL No. 01-007**
Local Governmental Agencies (LGA)
Medi-Cal Administrative Activities (MAA) Coordinators

SUBJECT: **Medi-Cal Administrative Activities (MAA) Transportation
Questions and Answers**

Attached are responses to questions that have been raised by the LECs/LGAs regarding claiming transportation through MAA. Please ensure this information is disseminated to all appropriate staff in your LEC or LGA. All questions and responses have been reviewed and received concurrence from federal Centers for Medicare and Medicaid Services (CMS) Region IX.

For questions concerning these responses, please contact Ms. Georgia Rivers, Chief of the Administrative Claiming Operations Unit, at (916) 657-0627 or by email at grivers2@dhs.ca.gov.

Sincerely,

Original Signed by P. Morrison

Patricia L. Morrison, Chief
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Attachment

cc: See Next Page

All Local Educational Consortia (LECs) and
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Medi-Cal Administrative Activities (MAA) Coordinators
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Medi-Cal Administrative Activities (MAA) Transportation Questions and Responses

The Administrative Claiming Operations Unit with clarification from the federal Centers for Medicare and Medicaid Services (CMS) offer the following responses to the MAA school based transportation questions raised by the Local Educational Consortium (LECs) and the Local Governmental Agency (LGAs). All similar questions are grouped together.

NOTE: The overriding principle of all Medi-Cal claiming is that duplicate billing is not allowed. If cost have already been claimed through the Local Education Agency (LEA) Billing Option Program, the same transportation costs may not be claimed through MAA.

1. When a child rides a bus for which the only adaptation is seat belts, can transportation costs be billed? Does the definition of specially adapted buses, include buses for which the only adaptation is seat belts?

No, transportation costs can not be billed through MAA when the only adaptation on a bus is seat belts. Seat belts on buses do not represent the definition of a specially adapted bus.

2. What adaptations must be made to a bus for it to qualify as a “specially adapted bus”?

Specially-adapted buses are buses that have any one or more the following:

- ◆ Power lifts or ramps (and the special equipment specifically associated with lifts and ramps)
- ◆ Reinforced seat restraints
- ◆ Safety vest hook ups
- ◆ Huggy vest
- ◆ Assistive devices used to support or secure a child, mobility aids, special belts, harnesses and specialized hardware.

No claiming may occur unless the bus has at least one of the adaptations. If there is an adaptation you feel should be considered within the definition, please notify the MAA Claiming analyst assigned to your jurisdiction. A bus with only seat belts as an adaptation is not considered to be specialized transportation.

Additionally, the child must have a medical need for the specialized transportation documented in the Individual Education Plan (IEP) or Individual Family Service Plan (IFSP). If a child does not need the special modification, his/her transportation can not be claimed. The exception to this is a medically necessary attendant. See response to question four.

3. Specifically define what is a “specially adapted school bus” and what is required to be a “vehicle adapted to serve the needs of the disabled.” If regular buses do not have seat belts but they are installed for the disabled/kids, does that make it a specially adapted bus?

No. See response for question two.

4. If a bus is equipped with only seat belts and would not be considered a “specially adapted bus”, would the presence of an attendant on the bus allow transportation to be billed under MAA? Health attendants are on the buses to handle emergencies such as seizures.

All transportation billed to Medi-Cal must be medically necessary. A specialized vehicle, if medically necessary, is billable if the child is Medi-Cal eligible, has both transportation and a specific Medi-Cal service listed in his/her IEP or IFSP, and receives the Medi-Cal service at school that day. Alternately, if it is medically necessary that a child be accompanied to school by an attendant, any kind of bus and the attendant are billable, if the child is Medi-Cal eligible, has transportation, the attendant and a specific Medi-Cal service listed in his/her IEP or IFSP, and receives the Medi-Cal service at school that day.

5. What is the accepted methodology and claiming plan language for LEAs that desire to claim for all three types of MAA transportation (arranging and/or providing non-emergency, non-medical transportation of Medi-Cal eligibles services, and when medically necessary, accompaniments by an attendant)?

A claiming plan should accurately and thoroughly describe what is being claimed. If the language is unacceptable it means it is describing activities that are not appropriate to be claimed. Determinations of what may be claimed should be resolved with further training, so all involved LECs/LGAs understand how providing, arranging and accompanying, and LEA direct service provision work together. Specific questions should be directed to the MAA Claiming analyst assigned to your LEC or LGA.

6. What is the acceptable methodology and claiming plan language for LEAs that claim reimbursement for the cost of staff time only? This relates to MAA transportation for arranging and when necessary accompaniment by an attendant.

Please see above. Again, claiming plan language should accurately describe what is being claimed. Confusion about claiming plan language appears to be confusion about claiming policy, which will be resolved with further training.

7. What is the acceptable methodology and claiming plan language relating to calculating appropriate discount for staff time when (arranging and/or providing non-emergency transportation and when medically necessary, accompaniment by an attendant.)

Please see above.

8. What is the acceptable methodology and claiming plan language relating to calculation of costs related to (b) cost of transportation?

Please see above.

9. Can the counties claim staff costs based upon the annual time study of staff that arrange for or provide non-emergency, non-medical transportation of Medi-Cal eligible to Medi-Cal services?

Yes, counties can claim staff costs based upon the annual time survey of staff that arrange for or provide non-emergency, non-medical transportation of Medi-Cal eligible to Medi-Cal services.

10. Can the counties claim the costs of an accompanying attendant, when needed for the Medi-Cal eligible clients needing this service?

Yes, counties can claim the costs of an accompanying attendant, when medically necessary for the Medi-Cal eligible clients needing accompaniment.

There is not just one acceptable claiming plan statement for claiming transportation. In all cases, the claiming plan must clearly state that "costs claimed through MAA are not being claimed as services under the LEA billing option. Any claiming plan language must also clearly state the following:

If claiming from home to school:

In following scenario, the actual cost of providing transportation must be direct charged.

The child has specialized transportation listed in the IEP;
And the child is eligible and enrolled in Medi-Cal;
And the child receives a Medi-Cal covered service listed in the IEP at school that day.

If not claiming home to school:

Clearly state that the transportation provided is from school to Medi-Cal covered service and no home to school transportation costs will be claimed.

If transportation is not school-based transportation:

Clearly state that the transportation is to a Medi-Cal covered service for a Medi-Cal beneficiary.

Providing transportation is direct charged. Use either a per trip log, per mile, vouchers or a contract. This transportation is restricted to Medi-Cal beneficiary to a Medi-Cal service. If there is a mixed population then an actual count of eligibles should be used.

If arranging for transportation in a school setting:

The cost of arranging transportation for a Medi-Cal covered child to a Medi-Cal covered service (on or off the school site) regardless of whether the child has an IEP, should be time studied and billed as an administrative expense, according to the Medi-Cal percentage as outlined in the MAA provider manual. (Section 8 MAA Summary and Detail Invoice)

If not school-based transportation:

The arranging of transportation should be for a Medi-Cal beneficiary to a Medi-Cal covered service and costs of staff time will be based on the time survey.

Costs of an accompanying attendant can be claimed when it is for a Medi-Cal beneficiary to a Medi-Cal covered service based on the time survey.

11. It is understood that a client receiving Medi-Cal fee-for-service, Targeted Case Management from a manager, the manager can not claim the above costs, but the case manager may have other direct costs that should be claimed, such as van mileage, taxi vouchers, etc. Can the manager claim the costs for their transportation?

The TCM payment is considered all-inclusive based on the annual cost reports, time surveys and established rates.

12. Some counties have separate units that provide transportation. Are not all the costs associated with this unit claimable, when the costs can be tied to a Medi-Cal client receiving a Medi-Cal service? Costs here would be on a per unit service basis. The unit being based on the trip cost per client served. Costs to determine the full cost of the separate transportation unit must comply with federal standards for allocation of indirect costs specified in Office of Management and Budgets (OMB) Circular A - 87.

Where the LGA or LEC operate a separate transportation unit or contract for transportation services, the costs of the contractor providing the Medi-Cal non-emergency, non-medical transportation services for Medi-Cal eligible to Medi-Cal services is an allowable MAA cost.

Costs may be calculated on a per mile or per trip basis for each Medi-Cal beneficiary or child transported. Other reasonable methods may be accepted but must be clearly explained and supported with sufficient documentation.

13. In DHS's December 2000 memo sent to LECs regarding HCFA's new policy concerning Medicaid payment for transportation, the following statement was made: "Activity D must state that the child being transported to Medi-Cal covered services only, not to health services including Medi-Cal services." Does that mean that if a student receives a Medi-Cal covered service at the school site (for example, assisted feeding) and on the same day receives a service which is not covered by Medi-Cal (for example, adaptive physical education which is not performed by a licensed physical therapist), that an LEC can not bill for transporting that student to school that day? If so, what is the rationale for that exclusion? The record keeping requirements would be unduly burdensome because the school would have to cross check to ensure that transportation was not claimed on a day when a student also receives a health service, which is not covered by Medi-Cal.

The school would need to ensure that transportation was not claimed on a day, when a child receives a health service not covered by Medi-Cal and the school must develop a method of cost allocation for when a child receives a Medi-Cal covered service at the school site.

For example :

Under a time unit method of cost allocation, if a child with an IEP or IFSP receives a Medi-Cal covered service on school premises during the school day, the percentage of time spent receiving a Medi-Cal covered service would be the same percentage reimbursed from the cost of transportation to and from school.

That is, if 60 percent of the day for a child covered under IDEA was education, 20 percent for Medi-Cal services and 20 percent for other activities, Medi-Cal would pay only 20 percent of the cost of transportation because that is the portion properly allocated to the Medi-Cal covered services.

14. What documentation is necessary to prove that a student rode the bus on the days when transportation is billed? Can a signed daily log kept by the bus driver, with a check next to the clients' name suffice?

A daily log would suffice along with the ability to cross-reference the information to the daily attendance sheet maintained at the school site. In addition, there must be substantiation that a Medi-Cal covered service was provided. This is most easily provided by an a copy the claim submitted under the LEA billing option and a receipt or warrant for payment of that claim.

15. Does a “Medi-Cal service” need to be specified in the IEP, Medi-Cal billable/billed or would first aid qualify?

The Medi-Cal covered service should be included in the child’s IEP or IFSP and should be specific. For example, a child could need speech therapy three times a week on Monday, Wednesday and Friday. First aid would not qualify, and would not generally be listed in an IEP or IFSP. Nursing services would be billable through the LEA billing option.

16. Is this intended to relate only to the home to school of enrollment transportation?

Unable to respond because the question is unclear.

17. Is this part of a large instruction document for transportation claiming?

Any instruction documents will be part of the MAA claiming plan training and are based on the following letters and guides:

- ◆ HCFA letter dated May 21, 1999 to State Medicaid Director
- ◆ HCFA Medicaid School Based Administrative Claiming Guide dated February 2000 (Draft); and
- ◆ HCFA letter dated November 17, 2000 to Gail Margolis

18. Can reimbursement be claimed for transportation costs for students to receive Medi-Cal services off the enrolled school site?

The actual cost of transportation from the school site to an off-site Medi-Cal covered service is allowable for any Medi-Cal eligible child, regardless of their special-education status. **(Reminder can not claim costs through MAA claims for services on wheelchair buses have been submitted *under the LEA billing option.*)**

19. Is the following wording acceptable? “The cost of travel vouchers, bus tokens, and other travel expenditures necessary to transport students and/or families to Medi-Cal services will be included in the claim as a direct charge and discounted by an actual head count of Medi-Cal eligible.”

This is acceptable in part. Regarding “discounted by an actual head count of Medi-Cal eligible” must be a stand-alone statement or should state " based on an actual count of Medi-Cal eligibles". Logo and do documentation must be available for review to support the discount.

20. What documents are required to support the claim?

Maintain all supporting documents used to build the claim such as the claiming plan, trip logs, school attendance records, vouchers, time surveys, contracts, Memorandum of Understandings, IEPs or IFSP and LEA billing option claims.